

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL MEETING**

March 29, 2006
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair	Supervisor Max Wilson, Maricopa County
Mayor Woody Thomas, Litchfield Park,	Councilmember Jini Simpson for
Vice Chair	Mayor Ron Clarke, Paradise Valley
Councilmember Dave Waldron for Mayor	Councilmember Pat Dennis for
Douglas Coleman, Apache Junction	Mayor John Keegan, Peoria
Mayor Marie Lopez-Rogers, Avondale	Councilmember Peggy Neely for
Vice Mayor Chris Urwiller for Mayor Dusty	Mayor Phil Gordon, Phoenix
Hull, Buckeye	# Mayor Wendy Feldman-Kerr, Queen Creek
Mayor Edward Morgan, Carefree	* President Joni Ramos, Salt River
Vice Mayor Dick Esser, Cave Creek	Pima-Maricopa Indian Community
* Mayor Boyd Dunn, Chandler	* Mayor Mary Manross, Scottsdale
* Mayor Fred Waterman, El Mirage	Vice Mayor Danny Arismendez for
* President Raphael Bear, Fort McDowell	Mayor Joan Shafer, Surprise
Yavapai Nation	* Mayor Hugh Hallman, Tempe
Mayor Wally Nichols, Fountain Hills	* Mayor Adolfo Gamez, Tolleson
+ Mayor Daniel Birchfield, Gila Bend	# Mayor Ron Badowski, Wickenburg
* Governor William Rhodes, Gila River Indian	* Mayor Bryan Hackbarth, Youngtown
Community	* Vacant, ADOT
Mayor Steven Berman, Gilbert	Joe Lane, ADOT
# Mayor Elaine Scruggs, Glendale	* F. Rockne Arnett, Citizens Transportation
Mayor James M. Cavanaugh, Goodyear	Oversight Committee
* Mayor Bernadette Jimenez, Guadalupe	

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference call.

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair Keno Hawker at 5:10 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Hawker stated that Mayor Elaine Scruggs, Glendale, Mayor Wendy Feldman-Kerr, Queen Creek, and Mayor Ron Badowski, Wickenburg, were participating by telephone. Mayor Daniel Birchfield, Gila Bend, and Councilmember Dave Waldron as proxy for Mayor Doug Coleman, Apache Junction, were participating via videoconference. Chair Hawker introduced Vice Mayor Chris Urwiller as proxy for Mayor Dusty Hull, Buckeye; Councilmember Jini Simpson as proxy for Mayor Ron Clarke, Paradise Valley; and Vice Mayor Danny Arismendez as proxy for Mayor Joan Shafer, Surprise.

Chair Hawker noted materials at each place: For agenda items #5C and #6, a memorandum reporting the unanimous recommendation of the TPC on these items; for agenda item #10, cost analyses; and for agenda item #12, the addendum to the agenda and a memorandum on a name that was submitted were at each place. Chair Hawker noted that parking validation and transit tickets were available from staff.

3. Call to the Audience

Chair Hawker noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out public comment cards. The opportunity for public comment is provided to members of the public to address the Regional Council on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Regional Council requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Chair Hawker recognized public comment from Dianne Barker, who took a compressed natural gas bus to the meeting. She extended her thanks for the transit tickets. Ms. Barker brought Sky Harbor Airport Pal Pocket guides for members. Ms. Barker noted that some cities are trying to preserve the airspace around the airport from tall buildings. She said that people are exiting I-10 and going through the airport. Even though the roadway capacity between terminals three and four has been increased, there is still a bottleneck at terminal two. Ms. Barker urged the mayors to look at multimodal transit and other airports as relievers. She spoke about the Transit Watch program to identify routes during times of a crisis. Ms. Barker said that she wants to promote more public participation in the process. Chair Hawker thanked Ms. Barker for her comments.

Chair Hawker recognized public comment from William Crowley, who noted that spring training will end in three days and the brochures will be printed in two days. He wondered why the successful printing and distribution process used last year was not continued. Mr. Crowley stated that no Phoenix representative was at the public hearing, nor was there a quorum of the Regional Council or RPTA Board present. He suggested that the public hearing be held in conjunction with the Regional Council meeting so there would be a quorum. Mr. Crowley stated that he knew the 'Parasite Valley' representative had a problem with the town being called that, but they are not allowing buses to run through their town. Mr. Crowley noted that there are 6,914 bus stops, but only 1,874 are covered because everyone is busy covering park and ride lots. He stated that he had bicycle surveys if anyone wanted one. Mr. Crowley stated that if the streets in the supergrid do not meet, the job is not being done correctly. Chair Hawker thanked Mr. Crowley for his comments.

4. Executive Director's Report

Dennis Smith reported that the deadline to submit Desert Peaks Nominations has been extended to Friday, April 7, 2006.

Mr. Smith stated that MAG conducted an open house and public hearing on March 10, 2006 in cooperation with the State Transportation Board, Valley Metro, METRO and the Citizen's Transportation Oversight Committee. He said that staff received public comment on the draft FY 2007-2011 TIP, Draft 2006 Update of the Regional Transportation Plan and ADOT plans for the MAG region. He added that comments received will be included in the Mid Phase Input Opportunity Report.

Mr. Smith stated that the next meeting of the Crime Prevention Stakeholders Group is April 4, 2006 from 10:30 a.m. to 12:00 noon at the MAG office in the Saguaro Room. He said that this effort was spearheaded by Maricopa County to develop strategies for the prevention of crime to lessen the flow of inmates to the jail system. Mr. Smith announced that the due date for submittals to the County for crime prevention programs is April 28, 2006.

Mr. Smith stated that the 2006 Annual Walk to End Domestic Violence is planned for Saturday, April 22, 2006 at 7:00 a.m. at Wesley Bolin Plaza. He said that the team registration deadline is April 15th and all member agencies are invited to form teams. Mr. Smith noted that last year Mesa, Phoenix, Scottsdale, Chandler, Gilbert and Peoria formed teams. Mr. Smith stated that the 2005 Walk raised \$250,000 for local domestic violence shelters and the goal this year is \$300,000.

Mr. Smith stated that a user-friendly version of the executive summary for the FY 2006-2010 MAG TIP has been produced and a copy was at each place. The document has summaries by jurisdiction for all member agencies with projects in the TIP and includes at-a-glance funding and project tables, photos and quick facts, as well as complete project listings and maps of regionally significant projects by year.

Mr. Smith introduced new MAG employees. Jeff Romine, Senior Regional Economist, who worked as a Research Economist at the University of Colorado and as a Regional Economist at the Denver Regional Council of Governments (DRCOG). He received his master's in public administration from Drake University and a Ph.D. in public policy and economics from the University of Colorado. Leo Luo, ITS Safety Engineer, attended the University of Virginia and received a master's degree in Civil Engineering in Transportation. He also received a bachelor's and master's degree in Civil Engineering from Southwest Jiaotong University in China and worked as a transportation planner and engineer at Guangdong Department of Transportation in China.

Chair Hawker stated that recently, all of the Councils of Governments (COGs) in Arizona met regarding a transportation plan that would encompass the entire state. He said that the meeting was brought about because the growth projections done by MAG in cooperation with the other COGs. He spoke of the need for discussion and cooperation among partners statewide and to not just focus on Maricopa County. Chair Hawker stated that there is a lot of data that can be shared among organizations. He stated that problems, perspectives and ideas were shared and discussion from the meeting will continue at the League of Arizona Cities and Towns. Chair Hawker stated that suggestions included funding, indexing the gas tax, impact fees to mitigate effects of housing developments, a statewide sales or property tax,

and new roads being toll roads. Chair Hawker said that he thought it was a great initial gathering and looked forward to more on a statewide basis. He expressed his appreciation to the other Regional Council members who attended, Mayor Thomas, Mayor Manross, and Mayor Cavanaugh.

Vice Chair Thomas commented that there is an effort in the State to improve transit. He added that they heard from Yuma and Kingman about the integration of rail. Vice Chair Thomas added that the hope is to see a more unified statewide approach.

Mayor Cavanaugh said that the smaller rural areas are wary of the huge metropolitan area and we need to consider their deep seated issues. We will gain from considering them, but it will take awhile.

5. Approval of Consent Agenda

Chair Hawker stated that public comment is provided for consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Council can request that an item be removed from the consent agenda and considered individually. He stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, and #5J were on the consent agenda. Chair Hawker noted that tonight there was an event in honor of Cesar Chavez that some Regional Council members were planning on attending. He said that if there are no objections, he would like to move agenda item #6, City of Phoenix Request to Advance the I-17/ Dove Valley Road Traffic Interchange, to the Consent Agenda. No objections were noted.

Chair Hawker recognized public comment from Dianne Barker, who thanked Paul Ward for the description of the closeout process in his agenda material. She urged those who want to know more about these funds to read the material. Ms. Barker stated that there is federal money available for many projects. She stated that she understood that transit and street sweeper projects are candidates to use these funds, but she did not think they went through the modeling process. Ms. Barker said that she did not think the federal government returned enough money to Arizona. Some areas have to spend down their local funds and she hoped they would get reimbursed with earmarks. Ms. Barker stated that the bottom line is there are worthwhile regional projects for the area that solve congestion and pollution. Closeout is a small part of the big picture. Ms. Barker stated that we need the federal government to give back what we put in. We are growing and we do not need to support the Big Dig. Chair Hawker thanked Ms. Barker for her comments.

Chair Hawker recognized public comment from Mr. Crowley, who stated that the Dove Valley interchange needs to be done to the full footprint. Mr. Crowley commented on agenda item #5B. He said that all of the Proposition 300 funds have been received, but where is the money coming from to pay the of \$34 million per year for the next ten years. Mr. Crowley stated that the price of gasoline has increased 30 cents in the last month. He said that he saw a bus idling in Desert Sky Mall for 40 minutes and the law that allows this needs to be changed. Mr. Crowley asked how can the consent agenda items be done correctly if only a three minutes comment period is allowed. He said that there was no public comment on the census item, but he has said many times to count him. Mr. Crowley said that he had not been counted in 25 years and he guessed the \$100,000 that would have been received for him as a resident was not needed. Mr. Crowley said that his comment on air quality conformity at Management Committee was not reflected in the agenda material. He stated that Federal guidelines say that public

comment must be taken when action is being taken, which is at the end of the process. Mr. Crowley stated that bus service needs to be included on the streets in the supergrid. He said that if the roads are built out, that means there are more people in the area. If that is so, why not have bus service? Chair Hawker thanked Mr. Crowley for his comments.

Chair Hawker asked members if they would like to remove any item from the Consent Agenda to be considered individually. Vice Mayor Arismendez requested that agenda item #5G be removed.

Hearing no further requests, Chair Hawker called for a motion to approve consent agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5H, #5I, and #5J. Vice Chair Thomas moved, Mayor Lopez-Rogers seconded, and the motion passed unanimously.

5A. Approval of the February 22, 2006 Meeting Minutes

The Regional Council, by consent, approved the February 22, 2006 meeting minutes.

5B. Initial Closeout of the Federal Fiscal Year (FFY) 2006 MAG Federally Funded Program

Annual suballocations of Federal Obligation Authority (OA) to the MAG region must be used or they could be lost. Each year, the process to close out the MAG federally funded program is completed in three distinct steps. First, the federal funds that have been suballocated to the MAG region are compared with the list of projects programmed in the current year (FFY 2005) of the most recent Transportation Improvement Program (TIP). Second, by March 1, MAG agencies request the deferral from the current federal fiscal year to the following, or later, of any projects that are not likely to be completed through the federal development process in time. Third, projects are identified that are able to utilize the funds available from the first two phases and from any other obligation authority (OA) that might become available from federal sources. In this phase of the FY 2006 closeout process, approximately \$1.5 million is available for the initial closeout. Requests to defer MAG federally funded projects from FY 2006 to FY 2007 were due March 1, 2006.

5C. Proposed Amendment to the FY 2006-2010 Transportation Improvement Program for Highway and Transit Projects

The Regional Council, by consent, approved a TIP Amendment to the FY 2006-2010 MAG Transportation Improvement Program to add a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded ITS Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe, as shown in the attached tables. On July 25, 2005, the FY 2006-2010 MAG Transportation Improvement Program (TIP) was approved by the MAG Regional Council. Since then, the following six projects have been identified that need to be added to the TIP: a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded Intelligent Transportation System (ITS) Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe. The Transportation Review Committee and the Management Committee recommended approval of the Amendment for the projects listed.

5D. Consultation on Proposed Transportation Conformity Processes for the 2006 MAG Conformity Analysis

Federal and state conformity regulations require that MAG consult with federal, state, and local air quality and transportation agencies on proposed processes for the conformity analysis on the Transportation Improvement Program and Plan. MAG is distributing for comment the proposed processes to be applied in the upcoming conformity analysis for the FY 2007-2011 MAG Transportation Improvement Program and the Regional Transportation Plan - 2006 Update. Comments regarding this material were requested by March 24, 2006.

5E. Consultation on Potentially Regionally Significant Projects of the FY 2007-2011 MAG Transportation Improvement Program

Federal and state conformity regulations require Metropolitan Planning Organizations such as MAG to consult with state and local air quality and transportation agencies, the U.S. Environmental Protection Agency, and the U.S. Department of Transportation regarding which transportation projects will be considered "regionally significant" for the purposes of regional emissions analysis. Regionally significant projects are subject to conformity requirements. A list of potentially regionally significant projects from the proposed FY 2007-2011 MAG Transportation Improvement Program has been prepared. It is requested that comments regarding the list be reported to MAG by March 24, 2006. This item was on the agenda for consultation.

5F. Conformity Consultation

MAG is conducting consultation on a conformity assessment for an amendment to the FY 2006-2010 MAG Transportation Improvement Program. The proposed amendment includes the addition of three new federally-funded transit projects for Avondale, Tempe, and Valley Metro. The amendment also includes a City of Phoenix federal-aid bridge scour project and two City of Mesa Intelligent Transportation System projects. All of the projects are for addition to FY 2006. The amendment includes new projects that are exempt from conformity determinations.

5H. Department of Housing and Urban Development Stuart B. McKinney Continuum of Care Consolidated Application Process for Maricopa County

The MAG Continuum of Care Regional Committee on Homelessness is the responsible entity for a year round homeless planning process. This includes the submittal of the Department of Housing and Urban Development (HUD) Stuart B. McKinney Continuum of Care Consolidated Application for the Maricopa Region. The 2006 application has been released by HUD, initiating the local application process. Applications are due April 14, 2006 at noon. Technical assistance is available upon request. The only opportunity for new projects is permanent supportive housing for chronically homeless individuals. Since 1999, \$106 million have been awarded to the Region. Last year, the region received more than \$20 million for 48 homeless service providers. It is anticipated that our region will be awarded comparably in 2006.

5I. MAG 208 Small Plant Review and Approval for the Proposed City of Peoria Estates at Lakeside Wastewater Treatment Plant

The Regional Council, by consent, approved the proposed City of Peoria Estates at Lakeside Wastewater Treatment Plant as part of the MAG 208 Water Quality Management Plan. The City of Peoria has requested that MAG review the proposed Estates at Lakeside Wastewater Treatment Plant through the Small Plant Review and Approval Process of the MAG 208 Water Quality Management Plan. The plant would have an ultimate capacity of 120,000 gallons per day and effluent would be disposed of through deep well injection into the aquifer. The City of Phoenix is within three miles of the project and does not object to the proposed plant. Since the Lake Pleasant Park is within three miles of the project, Maricopa County has also indicated no objections. The MAG Water Quality Advisory Committee and the MAG Management Committee recommended approval.

5J. Arizona Department of Economic Security Socioeconomic Projections

In January 2006, the Arizona Department of Economic Security (DES) released a draft set of 2007 to 2055 resident population projections for Arizona counties including Maricopa County. These projections will be considered at the DES Population Technical Advisory Committee on March 22, 2006. It is anticipated that MAG will express concern with the numbers. According to Executive Order 95-2, DES is to prepare official resident population projections once every five years, while MAG prepares subregional projections consistent with the Maricopa County population control total developed by DES. The last set of official resident population projections was produced by DES in February 1997, nine years ago. In 2003, because there was a need to have updated socioeconomic projections for the development of the MAG Regional Transportation Plan and because DES had not approved an updated set of projections, MAG developed an interim set of population projections. The interim population projections used a Maricopa County control total based upon work done by the University of Arizona and Arizona State University to support a study by the Arizona Department of Commerce to develop a long-range economic strategy for the state. In January 2006, DES released draft July 1, 2007 to 2055 resident population projections for Arizona counties including Maricopa County. The DES Population Technical Advisory Committee will be considering recommending approval of the projections at its March 22, 2006 meeting. Although the DES draft resident population projections for Maricopa County are within a reasonable range, MAG has a number of concerns. These concerns relate to the methodology that was used to produce the projections and the fact that they are based on an unofficial July 1, 2005 population estimate instead of the results of the Census Survey. MAG is also concerned about the draft projections for Pinal and Pima counties, which have an impact on Maricopa County. In addition, on February 8, 2006, the Governor issued Executive Order 2006-04 that will “enhance the development of accurate population estimates and projections and labor market information in the state” by evaluating best practices throughout the United States and making recommendations to the Governor to enhance the current processes. Based on the current methodological issues with this set of projections proposed by DES and the new Executive Order that will consider enhancing the current methodology, it is anticipated that MAG will express concern with the DES County Population Projections at the March 22, 2006 DES POPTAC meeting and support a review of the population estimate and projection process in the evaluation established by the Governor’s Executive Order 2006-04.

6. City of Phoenix Request to Advance the I-17/ Dove Valley Road Traffic Interchange

This item was moved to the Consent Agenda.

The Regional Council, by consent, approved the City of Phoenix Request to Advance the I-17/Dove Valley Road Traffic Interchange project. MAG has received a request to accelerate a project that is part of the Freeway Life Cycle program. The City of Phoenix has submitted a request to advance the construction of the I-17 and Dove Valley Road Traffic Interchange (TI) by approximately 15 years to coincide with the widening of I-17 in FY 2007. The Dove Valley TI is listed in the Regional Transportation Plan as a Phase IV project and is currently in the ADOT Life Cycle Program for design funding in 2021 and construction in 2022. The City will provide the funding for the acceleration of the project with repayment as provided in the ADOT Life Cycle Program at the time of the repayment. The project would be accelerated under the MAG Freeway/Highway Acceleration policy with the repayment subject to program accelerations or delays as any other project in the life cycle program. The City will be responsible for one-half of the interest cost. The advanced schedule for this project, if approved, would be included in the draft MAG FY 2007-2011 Transportation Improvement Program and the Regional Transportation Plan FY 2006 Update that are being developed and will be presented for consideration in April for the purpose of air quality conformity analysis. The Management Committee and the Transportation Policy Committee recommended approval of the request.

5G. Status Report on 2005 Census Survey

This item was removed from the Consent Agenda.

Mr. Smith reported that the Regional Council approved undertaking a regionwide census survey on December 3, 2003. The decision to pursue a survey was made after extensive study by a subcommittee of the Management Committee that examined options for updating the 2000 decennial census. Mr. Smith stated that the options included : 1) Conducting a door to door special census, similar to the effort conducted in 1995, with an estimated cost of \$31 million. 2) Conducting a Census Survey with an estimated cost of \$7.5 million. 3) Using the County Control number developed by Department of Economic Security (DES) with the sub-county allocation of population done through the MAG process.

Mr. Smith stated that the Federal Highway Administration indicated that its federal funds participation in the Survey would be capped at \$6 million. He explained that this would mean that conducting a door to door special census would require a MAG member agency contribution of approximately \$25 million. The subcommittee believed that the door to door cost would be prohibitive. Mr. Smith stated that due to past reliability problems with the DES process, the group believed that a Census Survey would be the best option.

Mr. Smith advised that in January 2004, the Arizona Office of the Auditor General reviewed the DES process for estimating population and made several recommendations. In February 2006, the Governor issued Executive Order 2006-04, establishing the Arizona Data Estimates and Projections Task Force to evaluate the best practices of other states for developing accurate population and employment estimates and projections and make recommendations for Arizona.

Mr. Smith stated that on February 23, 2006, DES approved a July 1, 2005 estimate for Maricopa County of 3,648,545. On March 2, 2006, the Census Bureau provided a full count of Group Quarters from the 2005 Census Survey. On March 16, 2006, another division of the Census Bureau, using a separate methodology, released the latest estimate of 3,635,528 for Maricopa County. On March 24, 2006 MAG received preliminary survey results for the MAG region, indicating a September 1, 2005 population of 3,507,573. He noted that this is 140,972 less than the DES estimate and 127,955 less than the Census Bureau County number released on March 16, 2006.

Mr. Smith advised that missed housing units could be a part of the discrepancy, but it appears that the vacancy rate might also be the cause. He noted that the DES estimate used the vacancy rate from the 2000 Census of 9.2 percent, whereas, the overall vacancy rate from the Census Survey was 12.5 percent.

Mr. Smith said that the Census Bureau has provided a deadline of April 7, 2006 for review of the preliminary survey results and to provide comments. He added that some housing units were missed and those need to be forwarded. Mr. Smith reported that the Census Bureau has indicated that with the funding remaining in the contract, additional review of the survey could be provided to examine issues such as the seasonal vacancy rate.

Mr. Smith offered two options: 1) Provide information to the Census Bureau to get a clearer answer by the end of April. 2) Allow the Census Bureau continue to work on the numbers and get closer to the County number that the Bureau released to the newspaper. He commented that some jurisdictions are better with the Census Bureau numbers now, some are better with the DES numbers, which could only be used if the state law was changed.

Mayor Berman asked how the discrepancy for the Town of Gilbert could be so large? Ms. Walton replied there are a number of reasons besides the change in vacancy rates and persons per household. 1) The survey itself—when MAG contracted with the Census Bureau, they informed us the error rate for a survey would be plus or minus two percent. 2) The way the survey was conducted—the Census Bureau chose certain blocks and random samples of units in those blocks. She indicated that there is a possibility that high growth areas might not have been selected. 3) The number we are looking at begins with the 2000 Census number and adds the number of certificates of occupancy. She commented that a miscount in the 2000 Census is also a possibility.

Vice Mayor Arismendez stated that members of MAG paid \$8 million to conduct this Census Survey, plus the additional staff time put in for the past two years. He noted that the City of Surprise paid \$189,000 for its share of the survey. Vice Mayor Arismendez expressed that the Census Bureau should be held accountable and MAG should continue to work with them to resolve any inconsistencies rather than throwing out something that our taxpayers funded. He expressed that the results of the Survey make a big difference to his City.

Chair Hawker stated that if the larger number for Maricopa County is used versus the smaller number, as an aggregate everyone benefits. He said that also, this region is competing with the rest of the state. Chair Hawker suggested getting the information to the Census Bureau and address the seasonal vacancies. He commented that it is our responsibility as municipalities to get the Bureau our housing starts and check their numbers.

Vice Mayor Arismendez commented that there was too large a gap between the DES and Census Bureau number and this concerned him.

Chair Hawker noted that the biggest loser was the City of Mesa, which would lose \$3 to \$6 million per year. Chair Hawker stated that everyone would like to get accurate numbers. He asked if it would get us closer to the an accurate number if we let the Bureau do additional work on seasonal vacancies and provide additional information. Mr. Smith replied that staff believes the numbers will go up but the magnitude is unknown.

Fredda Bisman, MAG General Counsel, was present to update members on a memorandum received from the Department of Revenue on the revised numbers. She said that in the memorandum, the Department did not commit to accept new numbers after May 1, 2006, but indicated that in the past, the Department has accepted revised numbers after the deadline. Ms. Bisman commented that she believed the May 1 deadline was directory, not mandatory and the Department has discretion. She added that the Department's memorandum indicated this would not be harmful to taxpayers nor municipalities and might be beneficial.

Chair Hawker asked if there was any way to legally challenge the Census Bureau or legal recourse to get the \$8 million back. He commented that the Bureau divided Mesa into two parts and said East Mesa did not grow, even though everything else indicates it did. Ms. Bisman stated that she had not looked specifically at that issue, but was not optimistic about challenging the federal government. She added that it would be very difficult because the federal government has many immunities. Ms. Bisman said that the Census Bureau could say that different methodologies provide different results.

Councilmember Dennis asked the timeframe in which a challenge could be made. Mr. Smith replied that the deadline is April 7, 2006. Councilmember Dennis commented that is a short period and asked if there was no mechanism for challenge after that? Ms. Bisman replied that a challenge must be made by April 7. Mr. Smith added that municipalities need to submit other information, such as voter records to show addresses or street files the Census Bureau does not have.

Chair Hawker asked if a followup could be done for seasonal vacancies. Ms. Walton replied that vacancies were looked at in two separate parts—those who responded to the survey and those whom they contacted by followup visit. She indicated that a followup with those who responded would take approximately one month and those visited would probably take an additional month. Chair Hawker asked about seasonal vacancies. Ms. Walton replied that the Census Bureau defines resident population as those who reside six months or more out of the year. She added that the Bureau discards those not residing for that length of time and calls the unit vacant even though it is occupied. Ms. Walton stated that the Census Bureau is reviewing the methodology on seasonal vacancies. She added that the population number can only increase. Mr. Smith advised that the population for the region could increase but shares could change. Ms. Walton stated that there are two jurisdictions whose population decreased, but their share of the revenue increased. She said that it would help if cities could provide proof of occupancy rates persons or independent surveys.

Chair Hawker asked how elected officials would know that the persons per household should be changed without doing their own surveys? Ms. Walton responded that would be very difficult to do in a short

time frame. She said that the Census Bureau has been very supportive of helping MAG. Ms. Walton explained that they are looking at the surveys—it is possible that some people indicated one occupant when there could have been many. She said that this could be compared to the 2000 Census. Chair Hawker asked if the completed surveys were protected information. Ms. Walton replied that they were. She added that staff asked for this information at the census tract level and were told it could not be provided. She said that they could only provide the information at the city or subarea level that was contracted for. Chair Hawker commented that Mesa has single family homes that are now multi-family homes, some occupied by those here illegally. He thought it is uncertain if a census worker came to the door that the actual number of residents would be reported.

Mayor Feldman-Kerr stated that she understood that a city that wants to appeal must pay a fee. Mr. Smith replied that there is a fund balance that could be used to address these types of issues. He commented that staff could come back about charging member agencies if all of the funds were expended, but he did not think that would happen.

Mayor Cavanaugh asked how the results differed from previous counts experienced by the Census Bureau. Ms. Walton replied that other mid-decade censuses were full counts, not surveys, which explains how this differs. She said that the Census Bureau attributes the difference in the two surveys issued virtually the same day to methodology. Mayor Cavanaugh asked for clarification about using the DES number. Mr. Smith replied that to do the Census Survey, it had to be put into state statute. The statute also said the numbers received from the method contracted for must be used; otherwise you would need to go back to the Legislature. Mr. Smith noted that some cities did better with the Survey and it was not uniform that everyone would do better with the DES numbers. Mayor Cavanaugh asked if the final date of July 1 to complete a resurvey would affect the timing of receiving money from the State. Ms. Walton replied that she understood it would not.

Chair Hawker asked when the state shared revenue is divided up. Mr. Smith replied that is why MAG contacted the Department of Revenue. He commented on the short time frame because the Census Bureau is trying to get the numbers to the Department of Revenue.

Chair Hawker stated he was hearing that everyone would like the Census Bureau to perform as hired and try to get the numbers right.

Supervisor Wilson asked if a move should be made from the top down, rather than the bottom up. Mr. Smith replied that staff has gone to the second in command at the Census Bureau who assured staff he is talking to the director. Mr. Smith added that staff even discussed flying to Washington to discuss the issue. He said that the initial thought was to take the vacancy rate from the decennial census and plug into the survey. This resulted in almost the same number as the one released to the Arizona Republic, but six to eight member agencies would still not do as well as the Census Survey number. Supervisor Wilson offered to contact politicians in Washington if it would be worthwhile. Mr. Smith replied that staff feels they have the full cooperation of the Census Bureau. He added that the Bureau is trying to get the numbers right as much as MAG is.

Chair Hawker said that he was hearing comments from the Regional Council to try to get as accurate and complete data as possible and continue to work with the Census Bureau.

Chair Hawker stated that action items on the agenda would be heard next.

10. Approval of the Preliminary Site Recommendation and Authorization to Obtain Financial, Legal and Program Management Services for the Regional Governmental Service Center

This agenda item was taken out of order.

Denise McClafferty stated that on March 20, 2006, the consensus of the MAG Executive Committee was to preliminarily select the McKinley and 1st Avenue site for the Regional Governmental Service Center pending legal and financial review of the development agreement. She said that the site provides meeting room space, building and parking security, optimal ingress and egress, and it is on the light rail line. Ms. McClafferty stated that the estimated cost of the building is the high \$60 million to mid \$70 million range, which does not include costs such as specialized systems.

Ms. McClafferty reported that the Executive Committee authorized the Executive Director to request financial, legal and program management services related to the regional building project. She stated that the services of a bond attorney, real estate/construction attorney, program manager, and a financial advisor would be needed. These professional services are anticipated to range from \$150 to \$300 per hour and funded by MAG contingency funds. Ms. McClafferty stated that there is an opportunity to piggyback off the City of Phoenix RFQ for on-call legal services. She noted that staff is researching firms and rates, which will be presented at the April 17, 2006 Executive Committee meeting. Ms. McClafferty added that action by the Executive Committee would be ratified by the Regional Council.

Ms. McClafferty stated that remaining in the current building is still an option. She said that the Compass Bank space on the first floor of the building will become available June 2006 and the fourth floor will become available in 2008. Ms. McClafferty referred to the purchase and lease analyses at each place. She noted that the net cost to MAG to purchase is \$28.53 per square foot; to lease is \$33.13. Ms. McClafferty said that the analyses takes into consideration remodeling of floors one and four in the current building, the MAG percentage of common space in the new building, and square footage that might be subleased.

Chair Hawker stated that he served on the Building Lease Working Group. He said that the First Avenue and McKinley site was chosen from the two downtown choices because it would be a custom building built to our needs. The other building was shared with ASU and more in the heart of downtown. He said that this made access simpler in the McKinley building. Chair Hawker stated that it will be five to ten years before the core builds out to the McKinley site and it will have the same type of amenities, but to have a custom building, he felt it will be worth it. Chair Hawker stated that the building could be built to suit our needs. He said that another bonus is that MAG will own a building after 20 years. Chair Hawker stated that the Executive Committee supported this selection. He said that having a government service building will allow elected officials and staff to attend meetings back to back in the same building.

Mr. Smith stated that the decision tonight is to preliminarily select the site at McKinley and 1st Avenue, then have a legal and financial review, scrub down the legal documents and bring back to the Regional Council. He said that professional assistance for financial, legal and program management services is

needed. Chair Hawker advised that the Regional Council would not be committing to building a building just getting the information to make a decision.

Chair Hawker recognized public comment from Mr. Crowley, who stated that he felt Block 26 was not looked at. He said this would be a part of the Governmental Mall area. Mr. Crowley stated that he was glad the Regional Council was not committing to a site because the County's offer had not been considered. Chair Hawker thanked Mr. Crowley for his comments.

Chair Hawker asked members if they had questions. Hearing none, he called for a motion to approve the preliminary site selection of the McKinley and 1st Avenue site for the Regional Governmental Service Center pending legal and financial review of the development agreement, and authorization for MAG to obtain financial, legal and program management services for the Regional Governmental Service Center. Vice Chair Thomas moved, Mayor Cavanaugh seconded, and the motion carried unanimously.

12. Recommendation for a Business Representative on the Transportation Policy Committee

Mr. Smith noted that according to HB 2456, the President of the Senate and the Speaker of the House each appoint three business representatives to the Transportation Policy Committee. He reported On March 15, 2006, the Maricopa County Board of Supervisors appointed Representative Chuck Gray to fill the vacant Senate seat for District 19, due to the passing of Senator Marilyn Jarrett. This appointment created a vacancy in the House of Representatives. On March 17, 2006, the Maricopa County Board of Supervisors appointed Mr. Kirk Adams, a member of the TPC, to fill the vacant House of Representatives seat. Mr. Smith stated that Kirk Adams is constitutionally no longer eligible to serve on the TPC. He noted that Mr. Adams was appointed by President Ken Bennett. Mr. Smith advised that state law also says that the Chair of the Regional Planning Agency may submit names to the President of the Senate and the Speaker of the House of Representatives for consideration for appointment to the TPC. Mr. Smith stated that Regional members were requested to submit names of persons who represent regionwide business interests, and one name was submitted.

Chair Hawker stated that he had submitted the name of Mark Killian, of the Killian Company/Sunny Mesa Incorporated. Chair Hawker stated that Mr. Killian was a past Speaker of the House and was an active businessman.

Vice Chair Thomas moved to forward to the President of the Senate for consideration the name of Mark Killian to fill the remainder of the four year term of Mr. Kirk Adams on the Transportation Policy Committee. Supervisor Wilson, noting that Mr. Killian was an outstanding individual and an excellent choice, seconded the motion. The vote carried unanimously.

7. Regionally Significant Development Projects

Rita Walton addressed the Committee on the transportation costs of Regionally Significant Development Projects (RSDP). In 2003, the Regional Council directed MAG staff to evaluate RSDPs submitted by individual member agencies, if the agency requested it, for an 18 month evaluation period. Ms. Walton said that the information requested by the Regional Council was population, total vehicle miles traveled

(VMT), and estimated construction cost of freeway and arterial lanes needed to accommodate the growth or potential growth, presented at a regional level only.

Ms. Walton stated that in July 2005, the Regional Council approved the preparation of an annual paper on the regional impacts of cumulative development. The Regional Council recommended including all data from July 1 through June 30 for each year. The first paper would cover the period ending June 30, 2005, and would include all RSDP projects dating from the July 1, 2003 start-up.

Ms. Walton stated that RSDP criteria were developed by the Planner Stakeholder Group and approved by the Regional Council and apply to all projects that meet certain size thresholds. A RSDP generates demand for one lane mile of capacity on a freeway. Ms. Walton gave 2,800 housing units or a 640-acre development as examples of RSDPs.

Ms. Walton stated that information submitted included residential completions, general plan and general plan amendment and land use changes, developments, and RSDPs. The methodology used to calculate the transportation costs of various developments was based on statistics derived from the MAG transportation models, cost of construction estimates, and VMT standards per lane-mile by transportation facility. Ms. Walton stated that the report focused on freeway and arterial street construction costs only, and does not include any costs associated with other roadways and other transportation modes, such as transit. Ms. Walton stated that the methodology showed that the construction cost per freeway lane per vehicle mile was \$310.08; per arterial lane per vehicle mile was \$88.24.

Ms. Walton explained that residential building completions indicate the direction and amount of actual growth and are used by MAG in preparing population updates and projections. She added that residential completions signify certificates of occupancy being granted by the jurisdiction. Ms. Walton stated that residential completions accounted for 88,000 new units. This is consistent with the housing unit growth projected in the MAG Interim Socioeconomic Projections, approved by the MAG Regional Council in June 2003, and it is likely that a majority of these units was incorporated in the development of the MAG Regional Transportation Plan. Therefore, regional transportation capacity would already have been planned for this growth.

Ms. Walton stated that MAG staff collects existing and future land use information from MAG member agencies. She noted that comparing July 1, 2003 to July 1, 2005 shows that low density residential has decreased four percent, medium density residential has increased one percent, mixed use has increased two percent, and open space has increased one percent.

Ms. Walton stated that total developments were analyzed for two time periods. For the July 1, 2003 to June 30, 2005 time period, 88 developments accounted for 10.5 million VMT and a construction cost of \$1.69 billion. For the July 1, 2003 to December 31, 2005 time period, 328 developments accounted for 17.3 million VMT and a construction cost of \$2.79 billion. Ms. Walton noted that RSDPs account for 10 percent of all the developments received by MAG, but account for 90 percent of the VMT and construction costs.

Ms. Walton reviewed next steps. She stated that other costs, such as maintenance, operations, and other infrastructure, could be reviewed and/or added to the analysis. Revenue impacts, such as sales tax and assessments, could offset costs. The Building a Quality Regional Community project could be refocused to address RSDP enhancements. Ms. Walton stated that the data needs and data collection process could be refined to ensure development information is current. The work of peer MPOs and other agencies could be reviewed to see if similar work had been done. The analysis of the RSDP could be modified as directed. Ms. Walton noted that Roger Herzog, Senior Transportation Project Manager, was also available for questions.

Chair Hawker thanked Ms. Walton for her report. He asked if this process could be used for an analysis of costs to put infrastructure in place where there was no arterial network. Ms. Walton stated that the transportation model could be run to evaluate that, and with no roads, they would have to be added to the model. Chair Hawker asked if a cost factor could be developed. Ms. Walton replied that it could. Chair Hawker stated that those who buy next to those roads could do a buy-in. Chair Hawker stated that he had been reading about adequate public facilities. He referenced a concept that defines a level of service prior to new development being built and then projects the degradation of service resulting from the development. The developers would mitigate this degradation of service by installing traffic signals, intersections, and widening roads. Chair Hawker said that this could be a tool for city and town councils to put the pressure on development so that the existing taxpayers would not pay for the infrastructure. Chair Hawker stated that he wanted to share how communities could use this tool for developments of that size.

Councilmember Dennis stated that existing roads are still impacted even though they not a part of the development because of pass-through traffic. The key is to move people, not just through that particular development.

Supervisor Wilson stated that there is a project going in along the Carefree Highway. He said they are trying to not have traffic signals every half-mile. One requirement was to have an overpass instead of a signal, which will costs \$30 million. Supervisor Wilson stated that the developer agreed to do that. He commented that there is more involved than the cost of a street, it is also keeping traffic flowing. Supervisor Wilson said that Bell Road used to be the way Carefree Highway is today. The Carefree Highway will touch several towns and the idea is to keep transportation moving as best as possible.

8. Discussion of the Draft FY 2007 MAG Unified Planning Work Program and Annual Budget and Expenditures and Projects in the MAG Unified Planning Work Program and Annual Budget

Becky Kimbrough stated that each year, the MAG Unified Planning Work Program and Annual Budget is developed incrementally in conjunction with member agency and public input. Included in the agenda materials was the Programs in Brief, a summary budget that highlights the changes from the prior year budget and includes a list of new projects, new staff positions, and the budgeted resources needed to implement these items. Ms. Kimbrough noted that proposed new projects include the Access to Freeway Condition Information Via Handheld Devices and the Southwest Valley/Western Pinal County Transportation Study. Additional support was recommended for Valley Metro Rail for extending the rail system in the RTP.

Ms. Kimbrough noted that the Dues and Assessments were revised to reflect that the Executive Committee directed staff to use the 2005 Consumer Price Index for all urban consumers (CPI-U) instead of the ADOT Regional Freeway System Certification inflation factor. Ms. Kimbrough noted the CPI-U of 3.4 percent has been applied to the estimated dues and assessments for FY 2007, which results in a decrease in estimated dues and assessments of approximately \$20,106.

Ms. Kimbrough stated that contingency funds are available to address projects on growth issues. Ms. Kimbrough stated that the total proposed overall FY 2007 budget with carryforward reflects a decrease from last year because of the reduction in the costs of two projects--the Community Emergency Notification System and the 2005 Census Survey. Ms. Kimbrough noted that MAG's partners, the Intermodal Planning Group, will review the MAG Work Program on April 6, 2006 and she would report back with any comments from that meeting.

Chair Hawker asked the ADOT inflation factor. Ms. Kimbrough replied that it was originally set at seven percent and was reset at four percent in January. Chair Hawker commented that the Executive Committee had changed the inflation rate because it was thought that the CPI-U more closely reflected as staff-driven organization than the ADOT inflation rate which deals more with construction.

9. Legislative Update

Matt Clark provided an update on legislative issues of interest. He said that HCR 2031, the eminent domain/takings bill, failed in the House and SB 1019, its companion bill, appears to be limping to its death. He said that this brings renewed optimism that there will be a compromise. Mr. Clark said that leadership in the House and Senate continue to consult on the surplus funds that may be used for transportation but will keep the Regional Council informed.

Councilmember Simpson asked about a striker bill to HB 2381 that was passed that day. She said that she understood it will make changes to the assessment and collection of municipal development fees, etc. Councilmember Simpson commented that this could cost the cities the ability to collect taxes on construction transactions. Mr. Clark replied that he would research the bill and get back to her immediately.

Chair Hawker recognized public comment from Mr. Crowley, who stated that air quality is MAG's job. He said that MAG had not taken action on the bus idling issue he raised earlier. Mr. Crowley stated that the amount of money in the Work Program for the Human Services retreat is insufficient. He added that the retreat should also be held sooner than February 2007. Mr. Crowley stated that MAG should go to the Legislature to get more money for expanding transit service because not everyone needs freeways. He referred to the supergrid map and commented that there should be bus service on all of the roads in the supergrid. Chair Hawker thanked Mr. Crowley for his comments.

13. Comments from the Council

An opportunity was provided for Regional Council members to present a brief summary of current events. The Regional Council is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the Council were noted.

There being no further business, the Regional Council meeting adjourned at 6:45 p.m.

Chair

Secretary